436-1000

Approved For Release 2001/08/25 : CIA-RDP59-00882R000300340004-5 56-1608

OGC Has Reviewed

MAY 7

HEMOHANDER FOR: Deputy Director (Support)

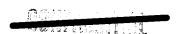
SUDJECT:

replacement of Director's Cadillac

1. This memorandus contains a recommendation for approval. This recommendation is contained in paragraph 4.

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- 2. The Director's Cadillac was purchased in 1950 with wavouchered funds. It was authorized by Admiral R. M. Hillenkoetter, then the DCI, and procured by for the Agency from the Cadillac Division, General Motors, Detroit, Michigan, at a cost of approximately \$4,400 through the Government Sales Representative of General Motors. Subsequently, the Bureau of the Budget questioned the authority for the assignment of this luxury type vehicle to the Director. General Counsel savised the Bureau of the Budget that such authority was contained in Section 10.(b) of Public Law 110. This apparently ended this matter.
- 3. The Cadillac has attained sufficient age (6 years) to qualify for replacement under CSA Regulation I-III-303.01 "Replacement Standards". The Transportation Division's revised operating budget for FY 1956 included \$5,000 of wouchered funds for the replacement of a Cadillac. The revised FY 1996 Transportation Division operating budget was incorporated into the Agency FY 1957 submission to the Bureau of the Budget. However, no specific detail was submitted to the Bureau, therefore, in approving the FI 1957 estimates, the Bureau could not have had knowledge of the allowance for a Cadillac in the revised FY 1956 budget.
- 4. The Director's Cadillac meets GSA age requirements. Its upkeep is becoming more costly and its performance more questionable. Moreover, vouchered funds for its replacement in 1956 have been included to our budget; therefore, it is recommended that the Director's 1950 Cadillac be replaced by a 1956 Cadillac and the procurement be requested in the usual routine maner through OSA. It is further recommended that prior to requesting procurement, in order to prevent



possible repercussions and embarrassment this be cleared with Mr. Many of the Bureau of the Budget and possibly with the Senior Member of the Congressional Subcommittee.

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JAMES A. OARRISCE Director of Logistics

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Office of General Counsel

9 May 1956

" I believe the preferable way to accomplish the desired result would be to specifically include the replacement in the 1958 budget submission to the Bureau of the Budget and to the Congress. All other Government agencies are required to follow this procedure before replacements and/or additions are effected. If this procedure is followed, it will mean that the replacement could not be effected before July 1957.

Lets discuss before final decision is made.

modified by the Comptained in suggestions

1) may 1956

L. K. WHITE Deputy Director (Support)

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**We subscribe to the Comptroller's view as to the preferable procedure. We note that on the prior procurement we relied on section 10 generally of P. L. 110 rather than section 10(b) specifically. This satisfied the Bureau of the Budget as to legal authority.

OL/ADL/ 188 :d1 (4 May 56) USA ALLES